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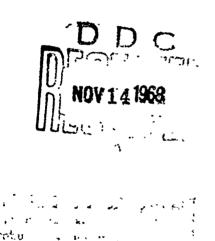
# TECHNICAL REPORT

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# M14 RIFLE COST ANALYSIS REPORT

JOSEPH J. KELLY JOHN MASENGARB





SYSTEMS AND COST ANALYSIS DIVISION COMPTROLLER AND DIRECTOR OF PROGRAMS U.S. ARMY MATERIEL COMMAND WASHINGTON, D.C. 20315

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Technical Report 68-4

M14 Rifle Cost Analysis Report

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October 1968

The views of the authors do not purport to reflect the position of the Department of the Army or the Department of Defense.

Systems and Cost Analysis Division Comptroller and Director of Programs US Army Materiel Command Washington, D.C. 20315

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#### Abstract

This report summarizes (1) the system history and (2) the development, investment, and operating costs of the 7.62mm M14 rifle. Development of the rifle occurred from 1945 to 1956 and totaled \$10.9 million. Overall, 1.38 million rifles were delivered from 1960 to 1965 by four manufacturers at an average cost of \$105.15 each. The production learning (experience) curve had a slope of 92 percent. The annual operating costs per year per rifle for maintenance (includes repair parts, direct and general support facilities, and labor) are about \$50.52 per year.

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#### I. INTRODUCTION

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This report presents the actual and estimated costs associated with the life cycle costs of the M14 rifle. Estimates and actual costs of development are rather limited due to a lack of data, but investment and operating costs are covered in detail.

The M14 rifle (Figure 1) is a lightweight, air-cooled, gasoperated, magazine fed, shoulder weapon designed primarily for semiautomatic or full-automatic fire.

The development of the M-14 rifle occurred because of a review of the program for the development of rifles in the years following World War II which revealed three definite trends. The first reflected a occision to provide the infantryman with a rifle of reduced weight but as accurate and as effective as standard weapons. The second was the development of an acceptable rifle with selective automatic and semiautomatic fire. The last was the simplification of logistical and training problems by developing a rifle to replace the four radically different designs of the M1 rifle, M2 carbine, M3A1 submachine gun, and the Browning Automatic Rifle (BAR). The adoption in June 1957 of the M14 rifle and later modifications of this rifle for the BAR role marked the achievement of all of these goals.

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#### II. SYSTEM DESCRIPTION

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The 7.62mm rifle M14 is a lightweight, air-cooled, gas-operated, magazine fed, shoulder weapon designed primarily for semi-automatic or full-automatic fire. The rifle is designed to accommodate the rifle bipod M2, the bayonet knife M6, the grenade launcher M76 and grenade launcher sight M15, and the winter trigger kit. Table 1 illustrates the principal characteristics of the M14 rifle.

Table 1
M14 Rifle Principal Characteristics

Mode1	M14
Weight	
With equipment and empty magazine	9.1 lbs.
Ready to fire-fully loaded with sling	11 1bs
Length with flash suppressor	44.3 in.
Barrel	
Weight	1.75 lbs.
Length	22 in.
Rifling	
Length	19.7 in.
Number of grooves	4
Depth of grocve	0.004 in.
Twist	one turn in 12 in.
Bipod	
Mode1	M2
Weight	1.75 lbs.
Sling	
Webbing, Model	M1
Weight	0.27 lbs
Leather, Model	M1907
Weight	0.5 lbs.
Method of Actuation	gas-operaced
Method of cooling	air-cooled
Sight radius at 100 yds	26.75 in.
Muzzle velocity	2,800 fps.
Muzzle energy	2,600 ft1b.
Chamber pressure (Marrimum)	50,000 psi.
Cyclic rate	750 rds/min.
Maximum range	3,500 yards
Maximum effective range	500 yards
Trigger pull	
Maximum	7.5 lbs.
Minimum	6.5 lbs.
Magazine capacity	20 rds.
Flash suppressor	integral with rifle
Sights	
Rear	iron aperture
Front	post
Ammunition used	•
7.62MM AP Cartridge	M61
7.62MM Ball Cartridge	M59
7.62MM Tracer Cartridge	M62
7,62M Blank	M82
7.62 Ball National Match	M118

#### III. SYSTEM HISTORY

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Many World War II combat reports received by the Army Ground Forces stressed the need for efficient automatic small arms weapons of light weight. The caliber .30 Browning Automatic Rifle (BAR), a comparatively heavy weapon, had proven itself to be both efficient and effective. The BAR, which was usually carried as a squad or section weapon, was gas-operated, air-cooled, and had a magazine capacity of 20 rounds. Its rate of fire was approximately 300 to 350 rounds per minute at a slow rate; its fast rate was 500 to 600 rounds per minute. It was originally designed as a shoulder-operated weapon; however, many modifications increased its length and weight. In a similar manner, the standard shoulder arm, the caliber .30 Ml rifle, had also proven itself superior to any of the semiautomatic weapons used by either our allies or enemies. The Ml rifle, however, weighed 9 3/4 pounds and was limited in magazine capacity to eight rounds.

In the light of the above considerations, the Army Ground Forces stated in September 1944 that a requirement existed for a weapon that would be comparable in size, weight, and efficiency to the M1 rifle and capable of both automatic and semiautomatic fire. To meet this requirement, the Ordnance Department initiated, in October 1944, a project to modify the M1 rifle. The new rifle was to be equipped with a detachable bipod and, when fired from the

bipod, was to be as effective as the standard BAR. The proposed weapon was also to include a 20 round magazine.

While development work to this end was being carried out at Springfield Armory during 1944 and the first seven months of 1945, a light weight rifle development program was initiated at Office, Chief of Army Ordnance in March 1945. Ordnance Committee Minutes 29132, 20 September 1945, officially launched the study for a rifle weighing less than the caliber .30, M1 rifle. The requirement for a lightweight rifle weighing seven pounds was stated in May 1946. The War Department Equipment Board further recommended that the new rifle replace not only the M1, but also the Carbine and M3A1 submachine gun. With a heavy barrel, the new rifle would also replace the M1918A2 BAR.

Development of a shorter round of ammunition was also initiated by the Ordnance Corps in 1945. All new rifle development was, therefore, based upon this new cartridge, the T65, one-half inch shorter than the caliber .30 1906 and M2 cartridges.

As a result of the 1944 requirement to modify the M1 rifle, the Springfield Armory was instructed to change the original specifications on a weapon under development called the T20 rifle. The rest of this section briefly traces the rifle development program from the T20 rifle until the standardization of the M14 rifle in 1957.

Rifle, Caliber .30, T20 - Early in 1944, Springfield Armory

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initiated the development of the first model of the T20 rifle, incorporating full and semiautomatic fire. Full automatic fire was accomplished by an independent sear release. The model was capable of automatic fire from an open bolt and semiautomatic fire from a closed bolt position. The open bolt feature did not adequately solve cook-off problems. The basic principle of operation was considered satisfactory. Development of the T20 model terminated in January 1945 with recommendations that minor design changes and strengthening of various components be made. A rifle incorporating these minor design changes was designated T20E1.

Rifle, Caliber .30, T20E2 - In early 1945, the T20E2 rifle was developed from its predecessors, the T20 and T20E1 rifles.

This rifle could be fired either on a full or semiautomatic basis. Full automatic fire was achieved by a connector assembly which was actuated by the operating rod handle. This, in turn, actuated a sear release or trip which, with the trigger held to the rear, disengaged the sear from the hammer lugs immediately after the bolt was locked. This model included a recoil check on the muzzle. The bolt was modified to ease feeding and extraction. The receiver was slightly longer than that of the M1 rifle. This allowed the bolt to travel further to the rear and improve feeding. This model also had a gas port located approximately 1 1/2 inches from the muzzle. The T20E2 rifle was designated Limited Procurement Type in May 1945. The project was terminated in March 1948.

Rifle, Caliber .30, T22 - The T22 rifle development was begun in early 1944 by the Remington Arms Company. In this design effort, full automatic fire was accomplished in the open bolt position and semiautomatic fire from a closed bolt position. The open bolt feature did not effectively prevent cook-off. The T22 project to modify the M1 rifle was terminated in March 1948.

Rifle, Caliber .30, T22E2 - The T22E2 rifle was developed from its predecessors, The T22 and T22E1 rifles, by Remington Arms Company. Full automatic fire was accomplished in the open bolt position; semiautomatic fire was accomplished from a closed bolt position. This model incorporated a slight change in the trigger group to simplify manufacture as well as an improved magazine catch. The major advantage of the T22E2 was in its adaptability to remanufacture of M1 rifles as a peacetime operation. This project was cerminated in March 1948.

Rifle, Caliber .30, T23 - This rifle was a modification of the M1 rifle to provide full and semiautomatic fire. Automatic fire was to be provided by an independent harmer release. The T23 model was advantageous from the standpoint of design, durability, and minimization of functional stresses. Because of mechanism timing, this model fired fully automatic from an open bolt approximately 20 percent of the time. Tests of this weapon indicated the desirability of firing from the closed bolt position. The tests

also indicated that a new magazine should be designed rather than attempt to modify the BAR magazine. A device designed to increase gun stability during automatic fire was definitely needed. The project was terminated in March 1948.

Rifle, Caliber .30, T24 - The T24 rifle was also a modification of the M1 rifle to provide full and semiautomatic fire. Automatic fire was provided by an independent sear release. This project was initiated simultaneously with the T23 rifle development in October 1944. This model fired full automatic from a closed bolt position at all times. This project was also ended in March 1948.

Rifle, Caliber .30, Lightweight, T25 - The T25 rifle was the first of the new lightweight rifles to fire the improved T65 type ammunition. This project was initiated in September 1945. This model was designed for selective semiautomatic or full automatic fire. Full automatic fire was performed in the open bolt position. The front sight mount and the bayonet lug were integral with the flash suppressor as a separate unit from the gas system components. The gas cut-off system and front-end design were eventually incorporated into the T44 rifle. The project was suspended in November 1951.

Rifle, Caliber .30, T27 - The T27 rifle project, initiated in April 1946, modified the M1 rifle to fire the new improved .30 caliber amountaion (7.62mm NATO). The rifle was capable of selective full and semiautomatic fire. This project was terminated in March 1948.

Rifle, Caliber .30, Lightweight, T28 - This program initiated in October 1946 was to design a lightweight, selective full and semi-automatic weapon to replace the M1 rifle, M2 carbine, M3A1 submachine gun, and the BAR. This rifle, with an in-line stock, was designed to explore the feasibility of low-cost fabrication techniques. Complex stampings and simplified forgings were used extensively in this design. This mechanism had insufficient structural regidity for satisfactory function and durability. The breech mechanism was an adaptation of an experimental Mauser design. The trigger mechanism was also of German origin. Development of this rifle was suspended in late 1950.

Rifle, Caliber .30, Lightweight, T31 - The T31 rifle development program was begun in March 1947. This weapon was a lightweight, selective full and semiautomatic rifle with an in-line stock. It was also intended to replace the M1 rifle, M2 carbine, M3A1 submachine gun, and BAR. This model was a novel approach to infantry rifle design and had unusually low stripping forces and energies. The magazine design was later incorporated into the T44 rifle.

Attempts were made to reduce recoil and eliminate flash and muzzle blast. These attempts were unsuccessful and the development program was suspended in late 1950.

Rifle, Caliber .30, Lightweight, T33 - This rifle development

program was initiated in March 1949. This rifle was developed on the initiative of a private inventor with guidance from the Office, Chief of Ordnance. The project was suspended in late 1950 because the weapon lacked sufficient ruggedness and durability.

Rifle, Caliber .30, Lightweight, T35 - The T35 rifle development program was initiated in June 1944. This rifle was a modification of the M1 rifle designed to fire the new and improved caliber .30 (7.62mm) NATO ammunition. This semiautomatic weapon incorporated a drop wood stock, iron aperture rear sight, and post front sight.

This particular development was suspended in the latter part of 1950.

Rifle, Caliber .30, Lightweight, T36 - A lightweight rifle modified from the T20E2 rifle was officially designated the T36 rifle in November 1949. This weapon was designed to fire the 7.62mm NATO ammunition. The T35 rifle could be used in both full and semiautomatic fire from a closed bolt position. It had a drop wood stock, iron aperture rear sight, and post front sight. A modified T25 rifle magazine design was incorporated into this model. This magazine functioned very satisfactorily. Further modification included a one-piece hand guard and a special butt plate. The T36 rifle development was terminated in the latter part of 1950.

Rifle, Caliber .30, Lightweight, T37 - The T37 rifle was a lightweight rifle modified from the T20E2 and incorporated features from the T36 rifle. This rifle fired NATO ammunition in both the

full and semi-automatic roles. The important modifications included a lightweight 22-inch barrel with the gas port approximately four inches from the muzzle and a lightweight wooden stock. The design included the T20E2 receiver but with filler blocks fore and aft of the magazine. Further revisions incorporated a lightweight stabilizer/flash suppressor and a bolt buffer. Following tests, recommendations were made for further development of a lightweight rifle that would be manufactured with existing production tools.

Rifle, Caliber .30, T44 - The T44 rifle, an eclectic model, evolved from a modified T37 rifle with a gas expansion-cutoff system. This weapon included the front end components of the T25 rifle, the breech system and magazine catch mechanism of the T20E2 rifle, and the magazine of the T31 rifle. This rifle, with a lightweight barrel (1.8 pounds), was developed to replace the M1 rifle, M2 carbine, and the M3A1 submachine gum. It was capable of selective full or semiautomatic fire. It had a prong type flash suppressor together with an automatic pressure relief valve for grenade launching. The bolt action was similar to that of the M1 rifle. Full consideration was given to utilization of tooling used in the manufacture of the M1 rifle.

Rifle, Caliber .30, T44E1 - In October 1951, a heavy barrel (3.5 pounds) version of the T44 rifle was fabricated and designated as the T44E1 rifle. This rifle was designed to replace the BAR. It featured a rate reducer that could provide dual rates of automatic fire. The heavy barrel feature was designed to reduce weapon

jump and to withstand the greater heat and increased erosion that would result from automatic fire. This weapon also had a hinged butt, two position biped, and a new flash suppressor unit.

Rifle, Caliber .30, T44E2 - Modifications to the lightweight barrel version of the T44 rifle led to a weapon which was designated as the T44E2 rifle. It utilized a short receiver and a gas impingement system. Front magazine latching and a centrally activated bolt catch were incorporated. A new operating rod with a modified cross rail section, a new bolt, trigger housing, trigger guard, and a grenade launcher with reduced gas volume were also included in this design.

Rifle, Caliber .30, T47 - In October 1951, a successor to the T25 model was designated T47. This model had a lightweight barrel and fired both full and semiautomatic from the closed bolt position. The bolt of the T47 rifle was locked and unlocked by the tilting action of the breech lock. This was the chief feature that distinguished it from the T44 rifle. The T44 was considered superior and T47 development program was terminated.

Rifle, Caliber, .30, Lightweight, T48 - The Belgian FN rifle was designated the T48 by the Ordnance Corps in October 1951. The rifle was converted to fire the NATO ammunition and was ready for user tests late in 1952. The T48 was a lightweight, gas-operated, air-cooled rifle that could be fired both automatic and semiautomatic. It competed against the T47 and T44 rifles during user tests as a possible successor to the M1 rifle. The outstanding feature of this weapon was its ease and speed of field stripping attributed to a

hinged receiver resembling that of a conventional break-open shotgum. Its weight was substantially the same as the M1 rifle. In April 1953, tests of the T47 rifle were discontinued. Only the T44 series remained in competition with the T48 FN rifle. The T44E4 was selected as the better rifle in June 1957, terminating further evaluation of the T48.

Rifle, Automatic, 7.62mm, M15 (T44E5) - In October 1954, a new heavy barrel rifle was designated T44E5. It was developed to eliminate the modified components used in the T44E1 model. Since this weapon had the identical operating mechanism as the T44E4, it was type classified standard, replacing the BAR, as the M15, 7.62mm automatic rifle in June 1957. The M15 rifle was declared obsolete in December 1959, following successful firing tests of the M14 rifle with the M2 bipod and a slotted plastic upper hand guard.

Rifle, 7.62mm, M14 (T44E4) - In October 1954, a new rifle with a lightweight barrel was designated as the T44E4 rifle. It was developed to eliminate the modified components used in the T44 model. In order to fire the NATO ammunition, the bolt, firing pin, connector, stock, and receiver of the rifle were designed with shortened dimensions. An improved bolt catch and magazine were also designed. The automatic pressure valve used in grenade lounching was replaced with a manually operated valve. The rifle could be converted to either automatic or semiautomatic fire by removal of the selector lock and installation of a selector. The rifle was also equipped with a prong

type flash suppressor. In June 1957, the T44E4 was classified standard as the M14, 7.62mm rifle, replacing the M1 rifle, M2 carbine, and M3A1 submachinegum.

#### IV. DEVELOPMENT COSTS AND ANALYSIS

Development of the M14 Rifle was accomplished primarily at Springfield Armory. Because of the closing of Springfield Armory and the amount of time expired since the weapon was developed, the available RDT&E costs cannot be further subdivided into the desired categories of engineering, tooling and test equipment, prototype production, systems test and evaluation, and data handling and documentation.

The M14 Rifle RDT&E costs in this report (Table 2) were compiled from Springfield Armory records by the Ordnance Weapons Command in January 1959 and are the latest known available data.

Table 2
M14 Rifle RDTE Funding

Pe:iod	Scope of Work	<u>cunding</u> *
FY 1946-1950	Design, development, prototype fabrication and testing cf T25, T28, T31, T33, and T47  Fabricate 100 T25 for User Test	\$ 300.000
	Development and Procurement of Ammunition	1.138.200 \$2,638,200

Table 2 continued on Page 15.

A CONTRACTOR OF THE PROPERTY O

AND REAL PROPERTY AND REAL PRO		بروين والمتحاد المتحاد
FY 1051 1056	Design development prototype fabrication and testing of T44. Procurement and testing of T48.  Limited Product and Production	\$1 550 000
	Engineering on T44 and T48	175 337
	Pilot Production of 500 T44 (Springfield) Pilot Production of 500 T48 (H&R)	1 109,539 2,220 589
	Development and Procurement of	
TOTAL	Ammunition	3,233,858 \$8,289,323 \$10,927,523
		Ψ10 / / 21 , β2 <b>0</b>
	Summary	
	Hardware and Engineering:	
	T44 et ante having residual value for M14 T48 work having no residual	\$ 3,920,465
	value for M14	2,635 000
	Ammunition	4.372 058
		\$10 927 523
*All dollars are un	adjusted for inflation.	

#### V. INVESTMENT COST & ANALYSIS

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There were three commercial producers - Olin Mathieson,
Harrington and Richardson (H&R), TRW, Inc. and one government
facility, Springfield Armory, engaged in the manufacture of the
M14 rifle. Production began with the FY 58 procurement at
Springfield Armory and concluded with the final scheduled delivery
in July 1964.

Tables 3 and 4 show the yearly procurement and delivery schedules.

Table 3
M14 Rifle Yearly Procurement Schedules

ŀΥ	Producer	Quantity
58	Springfield Armory	15,600
59	Olin Mathieson	35,000
59	H&R	35,000
60	Springfield Armory	32,000
60	Olin Mathieson	81,500
60	H&R	70,000
61	Springfield Armory	70,500
61	H&R	133,000
61	TRW	100,000
62	Springfield Armory	49,000
62	Olin Mathieson	90,000
62	H&R	224,500
63	Olin Mathieson	150,001
63	H&R	75,000
63	TRW	219,163
3	TOTAL PROCUREMENT	1,380,264

Table 4

M14 Rifle Yearly Contract/Work Directive Delivery Schedules

<u>FY</u>	Producer	Quantity
60	Springfield Armory	8,725
60	H&R	600
61	Springfield Armory	43,975
61	H&R	96,500
61	Olin Mathieson	5,890
62	Springfield Armory	59,051
62	H&R	232,300
62	Olin Mathieson	81,390
63	Springfield Armory	45,949
63	H∆R	208,100
63	Olin Mathieson	140,220
63	TRW	100,000
64	Springfield Armory	9,400
64	Olin Mathieson	129,001
64	TRW	210,000
65	TRW	9,163
Т	OTAL	1,380,264
1		

#### Investment Costs - Non-Recurring

Table 5 gives the actual costs through 1968 with \$4,000 required to complete the cost of laying away 21 production machines at TRW. Twenty of the machines will be laid away by the end of FY 70 with the remaining machine February 1973.

Table 5
M14 Rifle Investment - Non-recurring Costs

		Cost thru FY 68	Cost to Complete
	(TI	housands of Dollar	•
Production Base Sup	port	\$16,728	4
Advance Production ineering	Eng-	694	-
Tooling and Test Edment	uip-	12,077	-
Other		22	-
Olin Mathi	eson	\$5,911,620	
		F 100 (7/	
H&R		5,129,674	
H&R TRW		299,383	
*****	y the followi	299,383 W and the other cong table:	
TRW The difference in 1		299,383 W and the other co	ntractors can
TRW The difference in 1	oy the followi 011n 5,911,250	299,383 W and the other cong table:  H&R  5,129,674	
TRW  The difference in libest be explained h	oy the followi	299,383 W and the other cong table:  H&R  5,129,674	TRW

The other costs only includes new equipment training. Cost of the initial inventory management effort peculiar to major and minor items of supply, the development and analysis of requirements and supply status data, the preparation of material planning studies and supply control studies, and the determination of the necessity for and the initiation of directive of authorizing action for cataloging, procurement, rebuild, distribution, and disposal are not available at this time.

### Investment Costs - Recurring

Springfield Armory was the first to produce the M14 rifle in quantity. In Fiscal Year 1958, they produced 15,600 rifles at an average unit cost of about \$178. Further procurements from Springfield Armory indicated that learning (experience) was occurring at a 92% rate and the average unit price was decreasing with each new procurement (Table 6).

In Fiscal Year 1959, contracts were let after bids from twelve firms were received. The prices ranged from \$68.75 to \$157.10 per unit. Two contractors were selected, Olin Mathieson with a bid price of \$68.75 per unit and Harrington & Richardson (H&R) with a bid price of \$81.03 per unit. Both bids were for 35,000 units.

On the second procurement (70,000 units) of M14 rifles, the average unit price increased for both contractors.

In the case of Olin Mathieson, the price increased \$22.25 per unit. An analysis of the increase revealed that \$9.19 was due to engineering change orders (ECO's), \$2.91 for delivery rate acceleration and the rest, \$10.25, due to increase in the burden rate (overhead).

Table 6
M14 Rifle Learning Curve Analysis

40.00				PRE 3 BY		DATE PRE	PARED
CEARN!	ing curv	E WORRS	HEET	AMSWE-CPD		6 Sept	ember 1968
DH1-4C102				CONTRACT NO A	ND DATE OF CONTRACT IN	MORE THAN ONE CONTRACT	ER STIFF COSTRACT MAKES
Springfield Ar	тогу		ļ	Work Direc	tive Serial Number	s Not Available	
AFON SYSTEM	114 Kifle			SEGME	N T		
NE LOT SIZE	CAMULATIVE I	LNADJ UNIT COST	OR ADJ COST	APPROX MIDPOINT	X. CALCULATED 3	LOG X	LOG Y
15.600 FY CC	15.000	177.69	207.81		5,373	3 -73020915	2 -3: 766644
2 1 32.00 - FY 01	1.7.00	152.24	173.21		34,018	4:47738574	2:23857290
3 17 62 17 62	116.207_	140.22	103.64		79.919	Y 283303	2 21229417
1.4.00	167.107	123.21	136.22		1.1,708	5 15139350	4 13424408
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9			<del> </del>			·	
,						····	+ <del>-</del>
(number of ints)		·	B - NΣ (Log	X Log Y) -	Σ Log X Σ Log Y		11703859
Log X	18-20	179942		H2 (Log X) ~	12 Log X)		
Log Y	<u>ε· 9</u>	2771.45	A = antilog (	ZLog Y - BZ	Log X ) - entilog 2.	76002740 -	575.46
(Log X Log Y)	20-50	×1100	<u> </u>				
(Log X) <sup>2</sup>	84.53	5851.35	B5 - antilog (	(0.301030B • 2 : antilog 1.954.76787			92.2_
Production break If Y is cost, giv Specify under RI	<ul> <li>dotes of felle</li> </ul>	w-en centrects	under REMARK	S and adjust al	strike 14-23 Nov 66 costs to some year		

On the third procurement, the per unit cost increased by \$27.82. This increase was due to another increase in burden rate and with the subcontractors increasing their various prices and costs for subcomponents. No dollar figures are available for each increase but the total increase was \$27.82. Figure 2 illustrates graphically how each procurement price increased for Olin Mathieson.

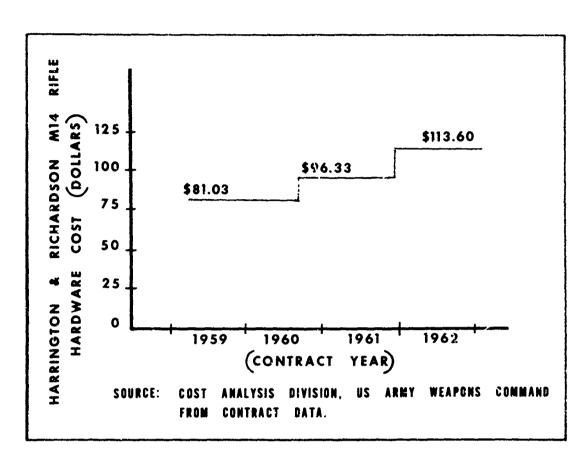


Figure 2
M14 Rifle Harrington & Richardson Hardware Cost by Year

In the case of H&R, on the procurement, the average unit cost increased from \$81.02 to \$96.33 or \$15.30. An analysis of this increase determined that \$9.19 was due to ECO's and \$6.11 was due to increasing the burden rate from 159% to 200%.

The third procurement also resulted in a price increase from \$96.33 to \$113.60 or \$17.27 per unit. The increase was attributed to the subcontractors increasing their prices by

\$9.00 a unit, the burden rate increasing by \$6.59 per unit, and the profit rate increasing by \$1.70 per unit. Figure 3 illustrates graphically the price increases for H&R.

In FY 62, TRW was a third producer of the M14 rifle and did not experience any price increases when given a second or subsequent procurement.

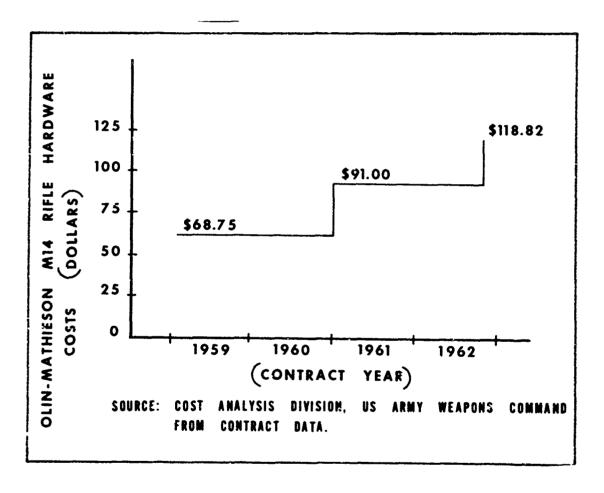


Figure 3
M14 Rifle Olin Mathieson Hardware Cost by Year

The current Basic Issue Line Item (BILI) per weapon is shown below. Total costs for BILI are given in Table 7.

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Table 7
M14 Rifle Basic Issue Line Item

Magazine assembly	5
(1 mag w/rifle, 4 mag w/BILI	
Brush, Bore	1
Brush, Chamber	1
Case, Cleaning Rod	1
Case, Lubricant	1
Combination tool	1
Section, Cleaning rod	4
Swab Holder	1
Sling, Ml	1

Bayonets, scabbards, and bipods comprise the ancillary equipment.

The cost of tools and test equipment replaced or modified after the start of quantity production, the initial reproduction of publications and technical data required to introduce the weapon system into inventory, and the materiels and actions necessary to maintain productive facilities in condition to produce during the production cycle are not available.

An overall analysis of the two contractors, H&R and Olin Mathieson, seems to be that, they bid low on the first contract and then subsequently increased their unit prices to about where the Springfield Armory unit price would have been had the Armory's 92% learning curve been used. All subsequent contracts have declined relative to a unit price according to that projected learning curve of 92%.

The costs of POL consumption, lubricating oil, and bore cleaner, under peacetime conditions, are considered to be negligible. The costs of training, central supply activities, annual service practice, operating forces, medical services, Army-Wide activities, and family housing activities are not available.

Table 8 is a list of operating costs factors and estimated annual unit costs.

Opera	ting Costs	Reference	Estimated Annua Unit Cost
	Repair Parts POL consumption	Weapon Command	\$ 5.95
	Ammo consumption	Munitions Comma	ind 74.36
D.	Crew	Weapons Command	4,509.00
E.	DS maintenance	Weapons Command	5.32
	GS maintenance Other direct operating cost	Weapons Command	3.82
Train	ing		
Centr	al Supply Activities		
Depot	Maintenance		
Α.	Labor	Weapons	\$ 15.73
В.	Materiel	Command	19.70

Continued on page 25.

Ŀ.	Estimated useful life		
В.	of each unit Average Rounds (or flying hours, etc.)	Unknown	
	per year	610 Ball	The Army Small Arms Weapons System (SAWS)
		50 Tracer	Procurement & Cost
		150 Blank	Data Study (U) Secret November 1965
С.	Meantime to overhaul (MTTO)	1.5 hours	Weapons Command
D.	Time between over- haul (TBO)	5 years	Weapons Command
E.	Meantime between failure (MBTF)	270 days	Weapons Command
F.		.6 hour	Weapons Command

Publication and data costs are not sensitive to quantity changes. It is estimated that \$4,800 will be expended in FY 69 and \$10,200 in FY 70 for M14 publication changes.

#### VII. SUMMARY

The total RDTE Cost was 10.928 million and investment cost of M14 rifle was 177.496 million. Total system cost of RDTE and PEMA (Investment) was 217.945 million.

During the past few years, the Army has been building up its troop strength to meet the nations demands, consequently, in the Operating and Maintenance Cost, ammunition consumption for training has increased during the past three years significantly and will continue to do so in the foreseeable future.

Table 9 shows the total actual costs by fiscal year.

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Table 9

M14 Rifle RDTE, Investment, and Operating Cost by Year

								`			j	
DESCRIPTION OF WORK	& Prior	74 S8	2 2	77 60	FY 61	F7 62	FY 63	F7 64	FY 65	FY 66	FY 67	FY 68
RDTE TOTAL	10,928											į
INVESTMENT-NON-RECURRING Production Base Supply		280										
Advance Production Engig		172	4,424 55	3,801	6,621	451	89	539		•		
Other Calest Equip.	ç	2,470	2,308	2,230	3.831	1.238	22	20	09	9		
TOTAL	22	2,943	7,322	6,031	10.544	074	ŧ					
INVESTMENT-RECURBING Prime Mission Product				•		600 1	28	589	09	9		
A. Mid Rifle B. Bill		2,772	6,754		31 683	90000	;		,			
					2,311	2,508	41,195		•			
D. Engineering					1,658	2,018	347					
E. Selected Repair Parts F. First Dest. Trans.		1,436	1,965	2,185 4,968	2,038 1,934	1,393	326					
TOTAL	-,	3,196	9,411 3	32,256		104	137	97	7			
VAO						9 0 6 0 6	42,021	6	7	•		
Repair Parts					,					•		
Amno Consumption 1/	•			•	466	1,575	2,940	3,894	4,352	4,666 1	9,663	7,179
	-					13,861		36.873	26 133	-2,		
Us Maintenance Depot Maintenance					417	1,408	2,628	3,481	3,890	4,171 3	45,450	47,233
A. Labor						1,013		2,503	2,798		3,216	3,185
B. Materiel										<b>£</b> 33	6	. ;
TOTAL										723 *	390 243	1,079 1,069
17 Tank a section of 17					1,206	17,857	20,313	46,751	37,172	4.372 6	63.440	66.1.79
2/ Publication cost only.	cer and s	ome match	us pasn	training								6.76
3/ Cost to lay away production machinery; \$2,000 in FY 69, \$1.00 in FY 70 er one is mention	n machine	ry; \$2,00	o tn FY	9. \$1.00	1, 77	500	i				- :	
				-		000,14	in FY 73,					

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This report summarizes (1) the system	n nistory and	(2) the a	evelopment,
investment, and operating costs of the 7.0 occurred from 1945 to 1956 and totaled \$10	) Q million	Overali	1 38 million rifles
were delivered from 1960 to 1965 by four r	nanufacturers	at an ave	race cost of \$105.15
each. The production learning (experience	e) curve had	a slope of	92 percent. The
annual operating costs per year per rifle	for maintena	nce (inclu	des repair parts,
direct and general s mort facilities, and	d labor) are	about \$50.	52 per year. / A
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